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Jonathan Boswell

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EXAMINER

KHATTAR, RAJESH

ART UNIT

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3693

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/028,284	<b>Applicant(s)</b> BOSWELL ET AL.	
	<b>Examiner</b> RAJESH KHATTAR	<b>Art Unit</b> 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 24 May 2010.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-62 is/are pending in the application.
- 4a) Of the above claim(s) 46-62 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-45 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)         | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)         | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____   | 6) <input type="checkbox"/> Other: _____                          |

## **DETAILED ACTION**

### ***Election/Restrictions***

Applicant's election without traverse of claims 1-45 in the reply filed on 5/24/2010 is acknowledged. Claims 46-62 are withdrawn from further consideration pursuant to 37 CFR 1.142(b) as being drawn to a nonelected invention, there being no allowable generic or linking claim.

### ***Claim Objections***

Claim 1 is objected to because of the following informalities: In claim 1, line 3, Examiner recommends deleting the word tool for clarity. Appropriate correction is required.

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 24-45 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 24 recites means plus function language. However, Examiner notes that specification does not support structure associated with means for receiving, means for generating, means for measuring and means for graphing. This renders the claim indefinite. If Applicant believes that the appropriate structure exists in the specification, Examiner then recommends the Applicant to specifically point out the relevant pages of

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the specification, otherwise, Examiner recommends the Applicant to cancel these claims.

***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-23 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Examiner notes the use of a computer system in claim 1, line 3 to receive data which is regarded as insignificant extra solution activity. Examiner recommends the Applicant to include the use of a computer in the key inventive step of the claimed invention. Appropriate correction is requested.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-4, 9-10, 20-21, 24-27, 32-33 and 43-44 are rejected under 35 U.S.C. 103(a) as being unpatentable over Phillips et al., US Patent No. 7,133,848 (hereinafter Phillips) in view of Purcell, Jr., US Patent No. 5,727,161 (hereinafter Purcell).

Regarding claim 1, Philips discloses a method for analyzing a financial services pricing process, comprising the steps of:

receiving data from a plurality of sources in a tool computer system (Figure 2, supply forecaster, cost model, sales forecaster represent data); and

generating a waterfall that shows revenues cascading down to a pocket price to illustrates revenue leaks (generating a graphical representation of data (a bar/column graph represents waterfall, a stacked column graph represents showing revenue cascading down to a pocket price (i.e. net profit), revenue leaks means expenses) is within the capability of a spreadsheet application e.g. Excel, col. 1, lines 19-45, col. 7, line 35-col. 8, line 41) including the sub-steps of

measuring predetermined pricing metrics using the received data (col. 8, lines 27-41, discounts given to a buyer represents predetermined pricing metrics; col. 9, lines 15-20), and

graphing the present value of each of the predetermined pricing metrics (col. 8, lines 27-41, Figure 5, col. 1, lines 19-45);

wherein the waterfall identifies a present value of each of the predetermined pricing metrics in relation to each other (Abstract; col. 1, lines 60-col. 2, lines 30; col. 8, lines 27-41, when present value is in the embodiments and graphing the present value would identify present value of each of the predetermined pricing metrics in relation to each other) and

wherein the step of measuring the predetermined pricing metrics includes measuring at least one of a plurality of incentives, a plurality of commissions, a plurality of fees, an underwriting gap and a market gap (col. 8, lines 27-41, discounts for large volume sales represents plurality of incentives, col. 9, lines 15-20).

Phillips does not specifically disclose determining the present value of the predetermined pricing metrics. However, Purcell discloses this feature (Fig. 7). Purcell also discloses in Fig. 5 revenue (sales) cascading down to a pocket price (profit) to illustrate revenue leaks (i.e. costs). Purcell also discloses that a spreadsheet software offers business graphics for visual presentation and comparisons of individual numbers displayed in spreadsheet (e.g. Fig. 4), including pie graphs, bar graphs, etc. (col. 1, lines 29-col. 2, lines 50).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to combine the disclosure of Phillips with the disclosure of Purcell. The motivation for combining these references would have been to compare the present value of various predetermined pricing metrics.

Regarding claim 2, Phillips discloses wherein the step of measuring the predetermined pricing metrics includes measuring a discount (col. 8, lines 27-41, discount).

Regarding claim 3, Phillips discloses the step of measuring the discount includes measuring a trend of usage percentage (col. 8, lines 27-41, increasing discount as the sales volumes increase).

Regarding claim 4, Phillips discloses wherein the step of measuring the plurality of incentives (volume discounts, col. 9, lines 15-20; col. 8, lines 27-41) includes measuring at least one of a total payout rate in relation to at least one payout rate of a competitor and a trend of usage percentage (col. 11, lines 20-40, competitor pricing and sales data, historical competitive pricing data).

Regarding claim 9, Phillips discloses the step of implementing an action plan based on the measurements of the predetermined pricing metrics (col. 13, lines 5-30).

Regarding claim 10, Phillips discloses implementing the action plan includes implementing a control plan to automatically trigger the action plan when a measurement of a portion of one of the predetermined pricing metrics associated with the action plan meets a predetermined trigger level criteria (col. 12, lines 33-col. 13, lines 30, alert generator).

Regarding claim 20, Phillips discloses the step of reviewing a pricing process using the waterfall generated (col. 8, lines 25-47, Fig 5, spreadsheet).

Regarding claim 21, Purcell discloses the step of identifying opportunities to decrease revenue leaks using the waterfall generated by using a waterfall worksheet to calculate the predetermined pricing metrics and produce a waterfall bar graph that includes the values for a market price, a market gap, a list price, an underwriting, a discount amount, a rider amount, a premium, a commission amount, a bonus amount or any combination thereof (Fig. 4, expenses represent identifying opportunities to decrease revenue leaks, col. 1, lines 29-col. 2, lines 50).

Claims 24-27, 32-33 and 43-44 are substantially similar to claims 1-4, 9-10 and 20-21 and hence rejected on similar grounds.

Claims 5-8, 11-19, 22-23, 28-31, 34-42 and 45 are rejected under 35 U.S.C. 103(a) as being unpatentable over Phillips in view of Purcell in view of Official Notice. Phillips and Purcell disclose the invention as described above. Both fail to specifically disclose limitations of claims 5-8, 11-19, 22-23, 28-31, 34-42 and 45.

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Examiner takes Official Notice as the limitations wherein the step of measuring the plurality of commissions/fees comprise measuring at least one to a total payout rate in relation to at least one payout rate of a competitor and a trend of usage percentage, measuring the underwriting includes measuring at least one of an underwriting error rate and a premium leakage, measuring the market gap includes measuring at least one of a competitive rate, a ranking in relation to major competitors, and a percentage variance from a lowest price, wherein the step of measuring the predetermined pricing metrics includes measuring a market gap and the step of implementing the action plan includes at least one of evaluating a position of all market gap metrics, assessing current production levels and evaluating a need to re-price, measuring an underwriting and the step of implementing the action plan includes evaluating a need to restructure underwriting guidelines/assessing a level of discount production and performing a root cause analysis to determine a reason for an increase, determining a root cause for a production decline, performing market research to determine new fee types and implementing an action plan to increase production, assessing an impact of a rate reduction on volume, reevaluating a bonus schedule and implementing rate changes if required, receiving the data from at least one of an actuarial system, a commissions system, a bonus system and a competitive analysis database, receiving at least one of policy information, commissions data, bonus information, and market data, identifying opportunities to decrease revenue leaks using the waterfall generated and summarizing and sorting the received data in the database using a plurality of predetermined database queries are old and well known in the art.



Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Phillips and Purcell to include the disclosure of Official Notice. The motivation for combining these references would have been within the knowledge of a person having ordinary skills in the art.

Claims 28-31, 34-42 and 45 are substantially similar to claims 5-8, 11-19 and 22-23 and hence rejected on similar grounds.

As per MPEP § 2144.03(C), with respect to an Examiner's use of Official Notice:

To adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111 (b).

The same section continues:

If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate.

Applicant has not properly traversed the examiner's use of official notice in the previous office action, and repeated herein. Applicant has not clearly stated why the well known facts are not well known. This being the case, the examiner now considers as admitted prior art, the limitations of claims 5-8, 11-19, 22-23, 28-31, 34-42 and 45.

### ***Response to Arguments***

Applicant's arguments with respect to the pending claims have been considered but are moot in view of the new ground(s) of rejection.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to RAJESH KHATTAR whose telephone number is (571)272-7981. The examiner can normally be reached on Flex schedule.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Rajesh Khattar/  
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